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**SAN FRANCISCO Ph.D. PSYCHOLOGIST CONVICTED OF BILLING
MEDICARE FOR \$1.3 MILLION IN BOGUS SERVICES**

**Defendant fired his attorney on first day of trial, failed to appear for the jury's
verdict, and had loaded 9 MM handgun and 30 rounds of ammunition
on front seat of car when he surrendered to agents**

SACRAMENTO--United States Attorney McGregor W. Scott announced today that Dr. JORDAN ROSENBERG, Ph.D., age 62, of San Francisco, CA, was convicted on one count of healthcare fraud, 18 counts of mail fraud, and three counts of making false statements to the United States, in violation of Title 18, United States Code, Sections 1347, 1341 and 1001. The guilty verdict was returned on June 17, 2004 in Sacramento after a three and one-half week jury trial before United States District Judge Morrison C. England, Jr.

This case is the product of an extensive/joint investigation by the Office of Inspector General, U.S. Department of Health and Human Services, the Criminal Investigation Division of the Internal Revenue Service, and the Federal Bureau of Investigation.

According to Assistant United States Attorneys Robert M. Twiss and Laura L. Swartz, who prosecuted the case, the evidence introduced at trial showed that ROSENBERG had a scheme to defraud the United States by submitting claims for fictitious psychological services to the insurance carrier under the Medicare program, and then engaged in an elaborate scheme of laundering the proceeds of the fraud to conceal the money from the Secretary of Health and Human Services.

ROSENBERG billed Medicare for over \$1,338,000 for services allegedly provided between 1996 and 1999. The Medicare carrier paid ROSENBERG over \$322,000 on those claims. The evidence at trial proved that ROSENBERG provided virtually none of the services for which he billed Medicare.

ROSENBERG claimed to be providing psychological counseling and other services to approximately 170 developmentally disabled persons living in group homes in Northern California. After the insurance carrier challenged the validity of his bills, he began billing in the name of a corporation, Medi-Clinic, Inc., which purported to be a group psychological

practice with two other psychologists. The two other psychologists named in the group enrollment application to Medicare testified that they were not part of the group practice with ROSENBERG operating under the name of Medi-Clinic, Inc.

The evidence presented at trial proved that ROSENBERG concealed the location of his alleged psychological practice from Medicare by falsely representing that his office was located at a particular address in San Francisco that in reality was a mail drop at Mail Boxes, Etc. The evidence presented at trial also proved that ROSENBERG set up a series of corporate alter ego nominee entities through which he passed the money which he received from Medicare.

Ultimately, most of the money was deposited in a bank account of what purported to be a non-profit charitable corporation which was engaged in providing *pro bono* psychological services for developmentally disabled persons. ROSENBERG used the money to pay his rent on an apartment in San Francisco, then purchase an expensive home in the Oakland Hills, paid the mortgage on the home, purchased an automobile in his own name and engaged in a variety of personal expenditures with the money, including paying the monthly bills on his personal VISA card and his tuition and books at Golden Gate University Law School in San Francisco.

In addition to returning guilty verdicts on all 22 counts, the jury also returned verdicts forfeiting all of ROSENBERG's right, title and interest in the residence located at 9 Beechwood Terrace in Oakland, which he purchased for \$640,000 using \$161,000 of the fraud proceeds as a down payment, as well as a money judgment for \$250,000, and forfeited all of the money which had passed through the bank accounts of the six alter ego nominee corporations.

ROSENBERG, who had been on bail pending trial, fired his attorney on the first day of trial and then represented himself. He failed to appear in court when the jury returned its verdicts. The court found that ROSENBERG had voluntarily absented himself from court knowing that there was a verdict, and ordered a bench warrant for his immediate arrest.

ROSENBERG surrendered to agents and deputy U.S. Marshals late in the afternoon on June 18th at a local Holiday Inn. At the time of his arrest, ROSENBERG had a fully loaded 9 mm Glock handgun on the front seat of his car, with a round in the chamber, and two additional fully loaded 10 round magazines on the seat.

A copy of this press release is available at <http://www.usdoj.gov/usao/cae/home>, select Press Releases.

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